

# IRISH LAND PURCHASE FUND.

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## ACCOUNTS, 1912-1913.

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ACCOUNTS of RECEIPTS and PAYMENTS by the COMMISSIONERS for the REDUCTION of the NATIONAL DEBT in respect of the CAPITAL and INCOME of the IRISH LAND PURCHASE FUND, in the Year ended 31st March 1913, together with the REPORT of the COMPTROLLER and AUDITOR-GENERAL thereon.

*(Presented pursuant to Act 3 Edw. 7, c. 37, s. 33.)*

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*Ordered, by The House of Commons, to be Printed,  
10 February 1914.*

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## IRISH LAND PURCHASE FUND.

### EXPLANATORY NOTE.

The Irish Land Purchase Fund is a special fund placed under the control of the National Debt Commissioners for the purposes of the Irish Land Act, 1903. This Act provided for advances for land purchase being made in cash, raised by the issue of Guaranteed 2½ per Cent. Stock; but the Irish Land Act, 1909, extended the means of raising cash by providing for the issue of Guaranteed 3 per Cent. Stock and, in addition, enacted that advances may be made, in whole or in part, in stock. As the Irish Land Purchase Fund possesses somewhat peculiar features, a short explanation of these features may be desirable.

The chief means of raising money for the purposes of the Irish Land Act, 1903, is by the creation of Guaranteed Stock bearing interest at 2½ or 3 per cent. per annum. This stock is issued for two distinct objects, viz. :—

- |   |                               |
|---|-------------------------------|
| (a) For advances, and to provide cash for advances        | { 1903 Act, Section 28.       |
| (b) To provide cash for the payment of a bonus to vendors | { 1909 Act, Sections 2 and 3. |
|   | { 1903 Act, Section 47.       |
|   | { 1909 Act, Sections 2 and 6. |

Cash can also be obtained—

- |  |                                   |
|--|-----------------------------------|
| (c) By temporary borrowing                         | - - - - - { 1903 Act, Section 30. |
|  | { 1909 Act, Section 5.            |
| (d) By using the sinking fund for further advances | 1903 Act, Section 36.             |

(Provision is made in the 1903 Act (Section 36) for the two cases of stock being issued at a discount and at a premium. The issues already made have been at a considerable discount, and a further reference to the case of an issue at a premium does not appear to be necessary at present.)

(a) The amount of Guaranteed 2½ per Cent. Stock and Guaranteed 3 per Cent. Stock issued for the purpose of raising money for advances, and of Guaranteed 2½ per Cent. Stock issued for advances, is divided into two parts. In the first place, stock of equal nominal amount to the net cash realised by an issue of stock, or, in the case of an advance in Guaranteed 2½ per Cent. Stock, the cash value at the price of issue, is assigned to the advances account, as the liability for which the cash advanced for land purchase is to provide (1903 Act, Section 36); and the remaining part of the issue together with any deficiency of interest arising by reason of money being raised by means of 3 per Cent. Stock, is set up as a liability for which an annuity chargeable on the Development Grant portion of the Guarantee Fund, and, so far as that is insufficient, on moneys provided by Parliament, is the corresponding asset (1909 Act, Section 7).

(b) The stock issued for the purpose of realising money for payment of the bonus is a liability for which Parliament votes both the interest and sinking fund (1903 Act, Section 47).

While, therefore, the issue of the stock is for two objects, the provision for the payment of the dividends and sinking fund in respect of the same comes from three different sources.

It will be seen that the Irish Land Purchase Fund practically comprises three distinct accounts:—

Account I.—Called "Advances Account," in which the capital raised has a corresponding asset in the annuities payable by borrowers, with the Guarantee Fund as security for their due payment.

Account II.—Called "Excess Stock Account," in which the liability comprises the additional amount of stock issued to raise cash for advances, (or the additional amount of stock issued for the purpose of advances by means of stock) in consequence of issues being made at a discount, the corresponding asset being an annuity chargeable on the Ireland Development Grant portion of the Guarantee Fund, and, so far as that is insufficient, on moneys provided by Parliament.

Account III.—Called "Land Purchase Aid Fund," in which the stock issued to provide the bonus is met by an annuity chargeable on Votes of Parliament.

The annuities payable in each case provide for interest on the capital together with an addition of  $\frac{1}{2}$  per cent. per annum by way of sinking fund for accumulation.

In addition, therefore, to the Irish Land Purchase Fund consisting of three distinct accounts, each of these accounts contains within itself an accumulation account to provide for the ultimate extinction of the capital liability.

It is further necessary to distinguish between advances made on the basis of a  $3\frac{1}{2}$  per cent. annuity and a  $3\frac{3}{4}$  per cent. annuity (1909 Act, Section 1 (3)).

Each of the three accounts above referred to is given in a separate column, the total of such individual accounts forming the Irish Land Purchase Fund.

The "Advances Account" now includes the transactions under the Labourers (Ireland) Act, 1906, 6 Edw. 7, cap. 37. Under section 15 of the same Act, the unexpended balance (98,478*l.*) on the 31st March, 1906, of the amount received from the Ireland Development Grant is retained as a working balance, and is included in the balance shown on the Income Account (Advances).

In addition to the accounts of receipts and payments, the statements of securities on which the capital has been raised and the balance sheet, supplementary accounts are given showing the detail of each accumulation account, and the amounts drawn from and repaid to the Guarantee Fund.

National Debt Office,

W. G. Turpin,  
Comptroller General.

IRISH LAND

ACCOUNTS OF RECEIPTS AND PAYMENTS by the National Debt Commissioners  
of the IRISH LAND PURCHASE

CAPITAL

## RECEIPTS.

	Advances Account	Known Stock Account	Land Purchase Act Fund	Total
	£ s. d.	£ s. d.	£ s. d.	£ s. d.
Balance on 31st March 1912	—	137 7 11	48,922 8 10	49,059 16 9
Money raised:—				
By creation of Guaranteed 3 per cent. Stock.	3,185,245 16 8	—	947,795 16 8	4,133,041 13 4
By loans from Sinking Fund.	308,800 0 0	—	—	308,800 0 0
By Temporary borrowings	2,932,000 0 0	—	—	2,932,000 0 0
Cash value of Advances in 2½ per Cent. Stock.	2,232,657 0 0	—	—	2,232,657 0 0
Cash value of Advances in 3 per Cent. Stock.	1,569,122 0 0	—	—	1,569,122 0 0
Sinking Fund Receipts:—				
In respect of 2½ per Cent. Annuities.	266,385 0 0	38,376 5 2	25,541 19 6	330,303 4 8
In respect of 3½ per Cent. Annuities.	13,987 10 0	7,095 7 10	9,275 8 7	30,258 1 3
Cash proceeds of securities sold and paid off, viz.:—				
Temporary Investments:—				
For 220,000. Temporary Bills sold.	216,370 11 0	—	—	216,370 11 0
Balance due on 31st March 1913.	186,247 5 6	—	—	186,247 5 6
£	10,930,615 3 2	45,470 0 11	1,031,535 8 7	12,007,729 12 8

## PURCHASE FUND.

in the Year ended 31st March 1913, in respect of the CAPITAL and INCOME FUNDS, per 3 Edw. VII. c. 37, and 9 Edw. VII. c. 42.

## ACCOUNT.

## PAYMENTS.

	Advances Account.		Revenue Stock Account.		Land Purchase Aid Fund.		Total.	
	£	s. d.	£	s. d.	£	s. d.	£	s. d.
Balance overdrawn 31st March 1912.	55,519	12 1	—	—	—	—	55,519	12 1
Advanced to Irish Land Commission:—								
For advances on 3½ per Cent. Annuity.	6,630,370	15 1	—	—	—	—	6,630,370	15 1
For advances on 3½ per Cent. Annuity.	1,638,900	0 0	—	—	921,165	17 5	2,575,065	17 5
Temporary borrowings (Capital Account) repaid.	2,077,000	0 0	—	—	—	—	2,077,000	0 0
Cash invested, viz.:—								
For Sinking Fund in respect of 3½ per Cent. Annuities:—								
In loans to Capital Account for further advances.	252,300	0 0	31,100	0 0	25,800	0 0	308,800	0 0
In purchase of 18,656L. 6s. Guaranteed 2½ per Cent. Stock.	14,137	10 0	—	—	—	—	14,137	10 0
In purchase of 9,000L. 15s. 8d. Guaranteed 2½ per Cent. Stock.	—	—	7,390	18 10	—	—	7,390	18 10
For Sinking Fund in respect of 3½ per Cent. Annuities:—								
In purchase of 13,714L. 16s. 9d. Guaranteed 3 per Cent. Stock.	11,185	15 0	—	—	—	—	11,185	15 0
In purchase of 8,400L. Guaranteed 3 per Cent. Stock.	—	—	6,807	0 0	—	—	6,807	0 0
In purchase of 11,250L. Guaranteed 3 per Cent. Stock.	—	—	—	—	9,225	0 0	9,225	0 0
Temporary investments:—								
In purchase of:—								
230,000L. Treasury Bills	216,270	11 0	—	—	—	—	216,270	11 0
Balance on 31st March 1913:—	—	—	411	2 1	75,546	11 2	76,057	13 3
£	10,903,615	5 2	45,699	0 11	1,031,535	8 7	12,007,759	12 8

## INCOME

	Advances Account.	Income Stock Account.	Land Purchase Aid Fund.	Total.
	£ s. d.	£ s. d.	£ s. d.	£ s. d.
Balance on 31st March 1912	114,081 0 7	—	698 15 5	114,779 16 0
From Irish Land Commission	1,116,537 17 0	82,086 8 10	174,825 7 1	1,672,439 12 11
From Guarantee Fund -	197,557 0 0	126,110 4 0	—	323,667 4 0
Interest on investments -	1,069 4 1	187 4 11	245 7 4	1,501 16 4
Fractions of pence saved in the payment of dividends.	4 17 9	—	0 10 1	5 7 10
Arrears of annuity instalments and interest received.	128,083 18 3	—	—	128,083 18 3
£	1,742,133 17 8	208,383 17 9	175,167 19 11	2,125,683 15 4

## GUARANTEED 2½ PER CENT. STOCK ACCOUNT.

Amount of Stock written off and cancelled in the year.	21,467 1 8	5,486 4 4	—	26,953 6 0
Balance of Stock remaining on 31st March 1913.	43,072,681 14 10	6,192,086 0 6	1,151,444 8 9	50,316,212 10 1
£	43,097,148 16 6	6,198,182 10 10	1,151,444 8 9	50,346,775 15 1

## GUARANTEED 3 PER CENT. STOCK ACCOUNT.

Amount of Stock written off and cancelled in the year.	10,990 14 8	286 16 3	655 1 3	11,932 12 2
Balance of Stock remaining on 31st March 1913.	15,372,192 16 11	1,701,369 2 3	2,449,461 13 6	18,523,023 12 8
£	14,883,473 11 7	1,702,655 18 6	2,449,116 14 9	18,535,246 4 10

## "LOANS FROM SINKING FUND" ACCOUNT, for

Balance of Loans from Sinking Fund to Capital (Advances) Account remaining on 31st March 1913.	1,306,000 0 0	—	—	1,306,000 0 0
£	1,306,000 0 0	—	—	1,306,000 0 0

## "TEMPORARY BORROWINGS" ACCOUNT, for

Temporary borrowings repaid in the year.	2,077,000 0 0	—	—	2,077,000 0 0
Balance of Temporary borrowings outstanding on 31st March 1913.	1,375,000 0 0	—	—	1,375,000 0 0
£	3,452,000 0 0	—	—	3,452,000 0 0

## ACCOUNT.

—	Advance Account.		Excess Stock Account.		Land Purchase And Fund.		Total.	
	£	s. d.	£	s. d.	£	s. d.	£	s. d.
Dividends and Interest on Guaranteed Stocks.	1,321,520	2 2	204,272	16 10	171,237	12 4	1,897,169	11 4
Interest on Sinking Fund Securities, transferred to Capital Account.	22,401	1 5	4,121	0 11	3,580	2 4	30,052	4 8
Interest on Temporary borrowings (Capital Account).	4,113	11 8	—	—	—	—	4,113	11 8
Recovered amounts paid to Guarantors Fund.	120,249	11 3	—	—	—	—	120,249	11 3
Balance on 31st March 1913	113,710	11 2	—	—	0 5 3	—	113,710	16 5
£	1,782,133	17 8	208,393	17 9	174,767	19 11	2,165,293	15 4

for the Year ended 31st March 1913.

Balance of Stock on 31st March 1912.	42,804,491	16 6	6,004,088	9 3	4,451,444	8 9	53,259,974	14 6
Amount of Stock issued in respect of Advances in the year.	2,232,637	0 0	194,144	1 7	—	—	2,426,801	1 7
£	45,037,128	16 6	6,198,232	10 10	4,451,444	8 9	55,746,775	16 1

for the Year ended 31st March 1913.

Balance of Stock on 31st March 1912.	9,029,108	14 11	1,087,901	15 2	1,295,116	14 9	11,966,124	4 10
Amount of Stock created in the year.	3,185,245	16 8	664,754	3 4	1,150,000	0 0	5,000,000	0 0
Amount of Stock issued for Advances in the year.	1,590,122	0 0	—	—	—	—	1,590,122	0 0
£	14,384,473	11 7	1,752,655	18 6	2,445,116	14 9	18,533,246	4 10

the Year ended 31st March 1913.

Balance of Loans on 31st March 1912.	997,200	0 0	—	—	—	—	997,200	0 0
Amount of Loans from Sinking Fund to Capital (Advances) Account in the year.	308,800	0 0	—	—	—	—	308,800	0 0
£	1,306,000	0 0	—	—	—	—	1,306,000	0 0

the Year ended 31st March 1913.

Balance of Temporary borrowings outstanding on 31st March 1912.	300,000	0 0	—	—	—	—	300,000	0 0
Amount of Temporary borrowings in the year.	2,952,000	0 0	—	—	—	—	2,952,000	0 0
£	3,452,000	0 0	—	—	—	—	3,452,000	0 0

## IRISH LAND PURCHASE FUND,

## LIABILITIES.

	Advances Account.	Home Stock Account.	Land Purchase Adv. Fund.	Total.
	£ s. d.	£ s. d.	£ s. d.	£ s. d.
<b>CAPITAL ACCOUNT—</b>				
Value, at par, of amount of stock remaining —				
Guaranteed 2½ per cent. Stock.	45,072,681 14 10	6,192,686 6 6	4,551,444 8 9	55,716,822 10 1
Guaranteed 3 per cent. Stock.	14,372,192 16 11	1,702,369 2 3	2,148,461 13 6	18,323,323 12 8
Value, at par, of amount of "Loans from Sinking Fund" remaining.	1,306,000 0 0	—	—	1,306,000 0 0
Temporary borrowings outstanding.	1,075,000 0 0	—	—	1,075,000 0 0
<b>SINKING FUND ACCOUNT—</b>				
Balance remaining on 31st March 1913 —				
In respect of 3½ per cent. Annuitants.	83 1 11	82 12 1	80 3 9	261 19 9
In respect of 3½ per cent. Annuitants.	2,716 9 1	328 10 0	98 15 2	3,143 14 6
<b>INCOME ACCOUNT—</b>				
Balance remaining on 31st March 1913.	118,710 11 2	—	0 5 8	118,710 16 5
	£ 62,242,684 14 2	7,905,476 10 10	6,900,164 8 6	77,048,295 13 5

## SUPPLEMENTARY

## SINKING FUND ACCUMULATION ACCOUNT at 31st March 1913, in respect of 3½ PER CENT. ANNUITIES.

	Advances Account.	Home Stock Account.	Land Purchase Adv. Fund.	Total.
	£ s. d.	£ s. d.	£ s. d.	£ s. d.
10,070l. 2s. 9d. Guaranteed 2½ per cent. Stock at par.	5,305 12 5	4,764 10 4	—	10,070 2 9
Loans to Capital (Advances) Account	1,004,600 0 0	165,000 0 0	136,400 0 0	1,306,000 0 0
Cash uninvested - - - -	83 1 11	82 12 1	80 3 9	261 19 9
Nominal value of Securities held - £	1,000,988 14 4	169,847 2 5	136,489 3 9	1,316,335 2 6

## SINKING FUND ACCUMULATION ACCOUNT at 31st March 1913, in respect of 3½ PER CENT. ANNUITIES.

	£ s. d.	£ s. d.	£ s. d.	£ s. d.
33,249l. 1s. 11d. Guaranteed 3 per cent. Stock at par.	4,257 5 3	12,407 13 11	16,683 2 9	33,348 1 11
Cash uninvested - - - -	2,716 9 4	328 10 0	98 15 2	3,143 14 6
Nominal value of Securities held - £	6,973 14 7	12,736 3 11	16,781 17 11	36,491 16 6



## BALANCE SHEET, 31st MARCH 1913.

ASSETS				
	Advances Account.	Excess Stock Account.	Land Purchase Adv. Fund.	Total.
	£ s. d.	£ s. d.	£ s. d.	£ s. d.
Accumulated amount of Sinking Fund :—				
In respect of $3\frac{1}{2}$ per cent. Annuities.	1,008,388 14 4	160,847 2 5	136,489 5 9	1,316,435 2 6
In respect of $3\frac{3}{4}$ per cent. Annuities.	6,978 14 7	12,736 3 11	16,781 17 11	36,494 16 5
Outstanding amount to be accumulated with Sinking Fund Payments :—				
In respect of $3\frac{1}{2}$ per cent. Annuities.	38,180,218 18 9	6,028,819 4 1	4,314,945 3 0	68,518,013 5 10
In respect of $3\frac{3}{4}$ per cent. Annuities.	3,118,040 0 10	1,869,632 18 4	2,356,231 5 4	7,163,904 4 6
Cash at Banks of England and Ireland.	72,536 14 4 (Overdrawn).	411 2 1	75,546 16 5	3,521 4 2
	£ 62,242,684 14 2	7,895,476 10 10	6,900,104 8 4	77,038,265 13 5

National Debt Office,

31st March 1913.

I certify that this Account has been examined under my directions, and is correct.

W. G. Turpin,

Comptroller General.

Examined,

M. S. Kelly.

H. J. Gibbons,

Comptroller and Auditor General.

## ACCOUNTS.

## GUARANTEE FUND ACCOUNT for the Year ended 31st March 1913.

RECEIVED FROM GUARANTEE FUND.		PAID TO GUARANTEE FUND.	
	£ s. d.		£ s. d.
Balance at 31st March 1912 - - -	883,593 2 11	Repaid on account of arrears -	130,249 11 3
For arrears in { Capital 19,074l. 9s. 3d., respect of { Advances { Income 111,592l. 6s. 1d. }	130,666 15 4		
For deficiency of income - - -	4,068 3 7		
For { Capital 28,123l. 5s. 8d., Excess Stock { Deficiency { Income 136,876l. 14s. 6d. }	190,000 0 0	Balance at 31st March 1913 -	1,069,811 10 7
	£1,179,061 1 10		£1,179,061 1 10

National Debt Office,

31st March 1913.

I certify that these Accounts have been examined under my directions, and are correct.

Examined,

M. S. Kelly.

W. G. Turpin,

Comptroller General.

H. J. Gibbons,

Comptroller and Auditor General.

## IRISH LAND PURCHASE FUND.

## REPORT OF THE COMPTROLLER AND AUDITOR GENERAL.

*Stock created, &c.*

1. The total amount of stock, 2½ per cent., created to the 31st March 1913, including 7,782,372*l.* 7*s.* stock in respect of advances to the Irish Land Commissioners for the purposes of section 3 of the Act of 1909, was 55,983,816*l.* 15*s.* 9*d.*, of which 45,300,500*l.* 11*s.* was assigned to the Advances account, 6,231,865*l.* 11*s.* to the Excess Stock account, and 4,451,444*l.* 8*s.* 9*d.* to the Land Purchase Aid Fund.

The amount of stock, 2½ per cent., purchased out of sinking fund balances and cancelled to the 31st March 1913, was on Advances account 227,826*l.* 1*s.* 2*d.*, on Excess Stock account 59,169*l.* 4*s.* 8*d.*, and the balance of stock, 2½ per cent., remaining on the 31st March 1913 on all accounts was 55,716,822*l.* 11*s.* 1*d.*

The total amount of stock, 3 per cent., created to the 31st March 1913, including 3,042,144*l.* issued for advances for the purposes of section 3 (3) of the Act of 1909, was 18,542,144*l.*, of which 14,339,488*l.* 1*s.* 8*d.* was assigned to the Advances account, 1,702,652*l.* 18*s.* 6*d.* to the Excess Stock account, and 2,450,000*l.* to the Land Purchase Aid Fund.

The amount of stock, 3 per cent., purchased out of the sinking fund, and cancelled to the 31st March 1913, was 16,995*l.* 4*s.* 7*d.* on Advances Account, 286*l.* 10*s.* 3*d.* on Excess Stock Account and 1,538*l.* 0*s.* 6*d.* on Land Purchase Aid Fund Account, and the balance of stock, 3 per cent., remaining on the 31st March 1913 was 18,522,123*l.* 12*s.* 8*d.*

*Sinking Funds.*

## 2. Out of the total receipts for the Sinking Funds, viz.:—

	£	s	d.
On 3½ per cent. annuity—			
To 31st March 1912	1,204,071	15	11
In the year ended 31st March 1913	330,303	4	8
	£1,534,375	0	7
On 3 per cent. annuity—			
To 31st March 1912	16,489	16	10
In the year ended 31st March 1913	30,258	1	5
	£46,747	18	3

a sum of 1,806,000*l.* was on loan to the Capital account for further advances, 271,714*l.* 4*s.* 1*d.* has been applied to the purchase of Guaranteed 2½ and 3 per cent. Stocks, and the balance of cash, 3,408*l.* 14*s.* 3*d.*, remained uninvested.

Exchequer and Audit Department,  
30 January 1914.

H. J. Gilson,  
Comptroller and Auditor General.